

JUNE 4, 1976

THE MARSHALL PLAN--TWENTY-NINE YEARS LATER

ANNCR: NEWS ANALYST FRED GALVAN TAKES A LOOK AT AN EXPERIMENT IN ECONOMIC RECOVERY THAT TOOK PLACE TWENTY-NINE YEARS AGO TOMORROW (SATURDAY, JUNE FIFTH).

VOICE: THE PLACE WAS THE CAMPUS OF HARVARD UNIVERSITY--AMERICA'S OLDEST. THE OCCASION--THE GRADUATION OF ITS 1947 CLASS. THE GUEST SPEAKER WAS THE LATE GEORGE MARSHALL, SECRETARY OF STATE IN THE TRUMAN ADMINISTRATION. AND HIS MESSAGE WAS A COMMITMENT BY THE UNITED STATES TO HELP WAR-DEVASTATED EUROPE-EAST AND WEST--PICK ITSELF UP FROM THE RUINS OF THE MOST COSTLY WAR IN MEN AND TREASURE IN THE WORLD'S HISTORY.

THE MARSHALL SPEECH SIGNALLED AN ECONOMIC REHABILITATION EFFORT WITHOUT PRECEDENT. AND THE RESULTS IT PRODUCED ARE FELT TO THIS DAY--FOR EXAMPLE, IN THE CLOSE TIES THAT BIND WESTERN EUROPE AND THE UNITED STATES, A RELATIONSHIP THAT HAS PROVED TO BE OF IMMENSE ECONOMIC BENEFIT TO BOTH.

EVEN THOUGH THE UNITED STATES MADE THE VAST ECONOMIC EFFORT AVAILABLE TO THE NATIONS OF EASTERN EUROPE, THE SOVIET UNION MADE THEM REJECT THE WHOLE CONCEPT.

AND WHILE THE WESTERN WORLD TODAY FACES ECONOMIC PROBLEMS ENTIRELY DIFFERENT AND MORE COMPLEX THAN IT DID ALMOST THREE DECADES AGO, WHAT THE MARSHALL PLAN STARTED IS CONTRIBUTING HEAVILY TO FINDING SOLUTIONS FOR THOSE PROBLEMS. THE JOINT UNITED STATES-WEST EUROPEAN EFFORT THE MARSHALL SPEECH STIMULATED LED TO THE EVENTUAL CREATION OF THE EUROPEAN COMMON MARKET. THE HIGHLY COMPLEX WEB OF THE WORLD'S CURRENT ECONOMIC ARRANGEMENTS CAN BE SAID TO HAVE HAD THEIR INCEPTION IN MANY OF THE IDEAS AND INITIATIVES WHICH THE MARSHALL PLAN PRODUCED. IN THIS

CATEGORY ARE SUCH ARRANGEMENTS AS THE GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT), THE INTERNATIONAL ENERGY AGENCY, AND THE SO-CALLED NORTH-SOUTH DIALOGUE--THE TALKS BETWEEN INDUSTRIALIZED AND DEVELOPING COUNTRIES ON NEW ECONOMIC RELATIONS. THE MARSHALL PLAN, IN FACT, CAN BE SAID TO STILL EXIST IN THE PRESENT-DAY OECD. (OPT) LATER THIS MONTH, IN PUERTO RICO, THE ECONOMIC SUMMIT OF INDUSTRIALIZED NATIONS WILL DISCUSS A STRATEGY FOR CONTROLLING THE WORLD ECONOMY'S RAPID RECOVERY FROM ITS LATEST RECESSION, A DEVELOPMENT THREATENING A NEW WAVE OF INFLATION AND ECONOMIC SLOWDOWNS. (END OPT)

THE MARSHALL PLAN, WHILE DIRECTLY BENEFITTING THE EUROPEAN ECONOMY, ALSO HAD PROFITABLE RESULTS FOR THE DEVELOPING WORLD. FOR WESTERN EUROPE'S ECONOMIC RECOVERY COULD NOT HAVE BEEN ACCOMPLISHED WITHOUT THE RAW MATERIALS FROM THE DEVELOPING NATIONS OF ASIA, AFRICA, THE MIDDLE EAST AND LATIN AMERICA THAT KEPT THE INDUSTRIES OF EUROPE PRODUCING THE GOODS NEEDED BY THE WORLD. AS THE EUROPEANS BOUGHT ASIAN, AFRICAN, MIDDLE EAST AND LATIN AMERICAN COMMODITIES, THESE HELPED THE ECONOMIC DEVELOPMENT IN THOSE PARTS OF THE WORLD.

THIS, THEN, IS THE SIGNIFICANCE OF THE TWENTY-NINTH ANNIVERSARY OF THE MARSHALL PLAN.